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the chance of an appreciation in the value of the security. These books laud thrift, not only as a personal virtue, but as a social asset. Integrity and business honor are assumed as the basis of business success. It is good reading not only for real and prospective investors, but for the general public whose ideas of business are too often erroneous and distorted.

But the best service is performed, perhaps, for the small investor who is tempted by the swindler; or for the young, who do not know the great opportunity offered by thrift and careful buying. Years are lost by free wasteful expenditure, and many millions, estimated at one quarter billion, are annually lost by the ignorant who intrust their little all in unworthy projects. Experience is gradually developing a body of sound financial knowledge which it is most desirable should become the common possession of all.

It is interesting to note the variety of agency by which this knowledge is being disseminated in these volumes. Professor Mead speaks with the persuasive authority of one who has a deserved reputation as a student of corporate affairs. Mr. Escher, by his book, gives a more extended reach to the work of the *Investment Magazine*. The Alexander Hamilton Institute lends the influence and authority of an educational institution to the work. And Mr. Babson's organization capitalizes the enterprise as a legitimate business proposition. One is quite within the truth in saying that among the movements for economy and social efficiency, aiming to make effective the latent economic power of the nation, the labor directed to the saving of earnings from wasteful expenditure and promoting really sound investment ranks among the most useful.

J. W. CROOK.

Amherst College.

Ancient Double-Entry Bookkeeping. By JOHN B. GEIJSBEEK.
(Denver: Published by the author. 1914. Pp. 182. \$5.00.)

The title is chosen relatively. Accounts were kept in some form from the day when man first employed credit, but it was not until a comparatively recent period that the merchant learned the system of double entry upon which all modern accounting rests. Its origin however, is shrouded in the cloud that hangs over the Dark Ages, and it is in the fifteenth century that we first find it clearly described. Mr. Geijsbeek's task has been to reproduce and to translate the early writers upon double entry bookkeeping.

Lucas Pacioli, the earliest known writer on bookkeeping, com-

piled in 1494 a treatise consisting of thirty-six chapters, all of which is photographically reproduced in the book under review so that the student has access to the original text with all its idiomatic expression. The original is printed on the left pages, while on the right Mr. Geijsbeek gives his translation, which is admittedly free although, as the translation was reviewed in manuscript by Robert Ferrari, LL.D., of Rome, the true meaning of Pacioli is undoubtedly preserved. This treatise in the quaint and interesting style of its period clearly describes the method to be followed in recording transactions in proper form in the memorandum book (the day book of our grandfathers), thence into the journal, and finally by posting from the journal into the respective accounts in the ledger. Pacioli, after concisely describing the trial balance, adds:

Now if these two grand totals are equal . . . then you shall conclude that your ledger was very well kept and closed. . . . But if one of the grand totals is bigger than the other, that would indicate a mistake in your ledger which mistake you will have to look for diligently with the industry and the intelligence God gave you and with the help of what you have learned.

That correct accounting was an important factor in business success in the fifteenth century may be inferred from the closing sentence of the paragraph just quoted in part, "If you are not a good bookkeeper in your business, you will go on groping like a blind man and may meet great losses."

Interspersed with his technical bookkeeping descriptions, Pacioli gives explicit directions for the making of an inventory and the orderly preservation of correspondence and other papers, and throws many sidelights upon the business customs then prevailing, as, for instance, the "nine ways in which the merchant usually buys, and the goods which it is more or less necessary to buy on time." Chapter 4, entitled "Very Useful Admonition and Good Advice to the Good Merchant," is perhaps needed by the business man of the twentieth century as much as by his predecessor of the fifteenth.

Mr. Geijsbeek might well have stopped content with his reproduction and translation of Pacioli's fundamental "Treatise," for such a book can scarcely be a commercial success; but to Pacioli he has added reproductions, notes, and abstracts from Domenico Manzoni (Venice, 1534), Don Angelo Pietra (Mantua, 1586), Matteo Mainardi (Bologna, 1632), Jan Ympyn Christoffels (Ant-

werp, 1543), Simon Stevin (Amsterdam, 1604) and Richard Dafforne (London, 1636). Of these writers Stevin made the largest contribution to the development of bookkeeping, the use of controlling accounts which he describes being an instance in point. Incidentally, the reproductions from his book show that the Dutch had made printing a work of art.

Briefly, in one attractive volume Mr. Geijsbeek presents the early works on bookkeeping in a way that permits each writer to express his message in his own language and style accompanied by an English translation with notes upon the text which the author has wisely aimed to make suggestive rather than dogmatic. The book will appeal to all real students of commercial affairs and deserves a wide reading.

J. E. STERRETT.

The Applied Theory of Accounts. By PAUL-JOSEPH ESQUERRE.
(New York: The Ronald Press Company. 1914. Pp. xviii.
519.)

The content of this book is as broad in scope as its title implies. Four introductory chapters survey in general terms the facts and legal aspects of the common forms of business organization. Part II is concerned chiefly with the mechanisms and technique of bookkeeping, the only marked departure from conventional treatment being a brief explanation of triple and quadruple entry, cryptically styled "Logismography" and "Statmography" by their respective Italian sponsors. Parts III and IV present theories of particular accounts, each group of balance sheet accounts being allotted a chapter. Part V discusses financial statements, giving weight to the balance sheet and its special forms, as in banks, life insurance and railroad companies, and in consolidations; to the income account, its contents and varied forms; and to the statements special to receiverships, trusteeships, and the settlement of estates.

Students of accounting practice are likely to find the chief value of the book in its exhaustive discussions of the specific media and processes of accounts. The author should also be credited with abundant reference to points of law bearing upon accounting procedure. The liberal use of problems and their illustrative solutions often lend concreteness, the chapter on consolidated balance sheets being, in this respect, noteworthy. At numerous points pertinent criticisms directed against inconsistencies of common practice are coupled with suggestions of preferred methods.